SD EForm - 0437 V1



Type of work

DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES Minerals & Mining Program - Oil & Gas Section 2050 West Main, Suite #1, Rapid City, SD 57702-2493 Telephone: 605-394-2229, FAX: 605-394-5317 FORM 2
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DEPT OF ENVIRONMENT & NATURAL

-- RESOURCES - RAPID CITY

APPLICATION FOR PERMIT TO DRILL RESOURCES - RAPID CITY

Type of well:

Other Other						
Name and Address of Operator: Peter K. Roosevelt 621 17th Street Suite 710, Denver, CO 80293 (303) 825-8606						
Name and Address of Surface Owner:						
Buffalo Gap National Grassla 1801 Hwy 18 Truck Bypass, Hot Springs, SD 57747						
Name and Address of Drilling Contractor and Rig Number: to be determined						
Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):						
NWNE Sec. 33, T11S, R1E, Fall River. 500FNL,1979FEL, Lat-43.056948, Lon-103.002557						
If Directional, top of pay and bottom hole location from nearest lines of section: NA						
Acres in Spacing (Drilling) Unit Description of Spacing Unit						
40ac. NWNE						
Well Name and Number		Elevation	Field and Pool, or Wildcat		Proposed Depth and	Formation
2-33 Alkali Federal		3970.5	Alkali Cre	Creek Field 3750 Leo		
Size of Hole 1) 12 1/4 2) 7 7/8 3) 4)	Size of Casing 8 5/8 5 1/2	Weight per Foot 24# 15#	Depth 200 3750	175sks class g 220		
Describe Proposed Operations (Clearly State all Pertinent Details, and Give Pertinent Dates, Including Estimated Date of						
Starting any Proposed Work). Use additional page(s) if appropriate.						
 Drill 12 1/4 hole to 220, set 200 8 5/8 surface casing w/cement to circulate to surface Drill 7 7/8 hole to 3750 						
3. Log and evaluate, run production casing or P&A according to the rules of South Dakota						
4. Pit to be lined w/12ml liner5. Date of proposed work to begin early 2013						
I hereby certify that the foregoing as to any work or operation performed is a true and correct report of such work or operation.						
D+ 3.() 11						
Signature		Name (Print)			Title	09/11/2012 Date
FOR OFFICE USE ONLY						
Approved By: Calif Tourson Title: Administrator Municipality Pro.						
Permit No. 2019 API No. 40 047 20340 Date Issued: 11/27/2012						



DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES

PMB 2020 JOE FOSS BUILDING 523 EAST CAPITOL PIERRE, SOUTH DAKOTA 57501-3182

www.state.sd.us/denr

PERMIT CONDITIONS

PKR: 2-33 Alkali Federal Permit: # 2019 11S-1E-33 NWNE, Fall River County API: 40 047 20340

Approval has been granted to drill this location as detailed on the attached Application for Permit to Drill (Form #2) with the following additional conditions:

- 1. This permit is conditioned on compliance with all applicable requirements of South Dakota Codified Laws 45-9 and Administrative Rules of South Dakota 74-12.
- 2. A 12-mil woven, reinforced high-density polyethylene liner must be used on all pits.
- 3. Surface runoff must be diverted around the drill site.
- 4. The surface hole must be drilled with fresh water.
- 5. Cement must be circulated to the ground surface on the surface casing.
- 6. If production casing (long string) is set:
 - A. Cement must be circulated on the long string from TD to the top of the Inyan Kara formation plus 50 feet (estimate 332 sacks).
 - B. A cement bond log must be run and filed with the department within 60 days of completion of the well.
- 7. If abandoned: A plugging plan must be submitted at least 7 days prior to plugging for the department's review and approval; otherwise, the following plan must be followed:
 - A. With long string, sufficient cement must be circulated to install:
 - 1. A 100-foot cement plug immediately above the perforations.
 - 2. A 100-foot cement plug, half in and half out of the top of the casing stub after the retrievable part of the production casing has been removed.
 - 3. A 100-foot cement plug, half in and half out of the top of any fresh water aquifer between the top of the casing stub and the base of the surface casing. Freshwater resources at this site include: Minnelusa, Minnekahta, Canyon Springs, and Inyan Kara.
 - 4. A 100-foot plug, half in and half out of the base of the surface casing.
 - 5. A 25-foot cement plug at the top of the surface casing.
 - B. Without long string, sufficient cement must be circulated to set:
 - 1. 100-foot cement plugs, half in and half out of the top of the following formations with heavy mud-laden fluid used between all plugs:

Minnelusa, Minnekahta, Canyon Springs, and Inyan Kara.

- 2. A 100-foot cement plug, half in and half out of the base of the surface casing.
- 3. A 25-foot cement plug at the top of the surface casing.
- C. The casing string must be cut off at least three feet below the final ground surface contour. A plate with the name of the operator, well name and number, and legal location by quarter-quarter section, township and range must be welded to the casing stub. The location of the abandoned well must be surveyed with high resolution global positioning system equipment or other appropriate survey methods sufficient to accurately locate the well. Survey coordinates must be included in the final abandonment report.
- 8. Surface reclamation of the site must be completed within one year of plugging and abandoning the well.

9. A washed set of sample cuttings (or cores, if cut) must be shipped, free of charge, to:

Derric Iles Geological Survey Program Akeley-Lawrence Science Center University of South Dakota 414 E. Clark Street Vermillion, SD 57069-2390

10. Please notify this office prior to plugging so a witness can be on location. If plugging will occur after regular business hours, call Jeff Klenner at (605) 929-1414.